

CAMPAIGN REPORT AMENDMENTS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Sheryl L. Allen

Senate Sponsor: Peter C. Knudson

LONG TITLE**Committee Note:**

The Political Subdivisions Interim Committee recommended this bill.

General Description:

This bill modifies provisions of the Campaign and Financial Reporting Requirements chapter of the Election Code.

Highlighted Provisions:

This bill:

- ▶ consolidates definitions for clarity and consistency;
- ▶ clarifies the election officer's obligations to provide notice that certain campaign financial statements are due;
- ▶ specifies what information the notices sent by the election officer must contain;
- ▶ requires the election officer to assess an administrative fee for each campaign financial statement that is filed late by a state office candidate, a legislative candidate, a state office or legislative officeholder, a political party, a political action committee, a political issues committee, a state or local school board office candidate, or a judicial retention candidate;
- ▶ clarifies that financial statements may be submitted via the Internet;
- ▶ provides procedures for filing amended campaign financial statements;
- ▶ requires the election officer to assess an administrative fee for all amended campaign financial statements and provides a formula for calculation of the



administrative fee;

- provides for the deposit of administrative fees and penalties assessed under the Campaign and Financial Reporting Requirements chapter;

- provides a process for appealing administrative fees assessed by the election officer;

and

- makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

H→ [None] This bill coordinates with S.B. 21, Campaign Finance Disclosure Revisions, by providing superceding amendments. ←H

Utah Code Sections Affected:

AMENDS:

20A-11-101, as last amended by Laws of Utah 2004, Chapter 90

20A-11-103, as last amended by Laws of Utah 2001, Chapter 166

20A-11-206, as last amended by Laws of Utah 1999, Chapter 93

20A-11-305, as last amended by Laws of Utah 1999, Chapter 93

20A-11-403, as repealed and reenacted by Laws of Utah 1997, Chapter 355

20A-11-508, as last amended by Laws of Utah 2006, Chapter 16

20A-11-603, as enacted by Laws of Utah 1997, Chapter 355

20A-11-703, as enacted by Laws of Utah 1997, Chapter 355

20A-11-803, as enacted by Laws of Utah 1997, Chapter 355

20A-11-1305, as last amended by Laws of Utah 2003, Chapter 215

20A-12-306, as enacted by Laws of Utah 2001, Chapter 166

ENACTS:

20A-11-104, Utah Code Annotated 1953

20A-11-105, Utah Code Annotated 1953

20A-11-106, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **20A-11-101** is amended to read:

20A-11-101. Definitions.

As used in this chapter:

(1) "Address" means the number and street where an individual resides or where a reporting entity has its principal office.

(2) "Ballot proposition" includes initiatives, referenda, proposed constitutional amendments, and any other ballot propositions submitted to the voters that are authorized by the Utah Code Annotated 1953.

(3) "Candidate" means any person who:

(a) files a declaration of candidacy for a public office; or

(b) receives contributions, makes expenditures, or gives consent for any other person to receive contributions or make expenditures to bring about the person's nomination or election to a public office.

(4) "Chief election officer" means:

(a) the lieutenant governor for state office candidates, legislative office candidates, officeholders, political parties, political action committees, corporations, political issues committees, and state school board candidates; and

(b) the county clerk for local school board candidates.

(5) "Continuing political party" means an organization of voters that participated in the last regular general election and polled a total vote equal to 2% or more of the total votes cast for all candidates for the United States House of Representatives.

(6) (a) "Contribution" means any of the following when done for political purposes:

(i) a gift, subscription, donation, loan, advance, or deposit of money or anything of value given to the filing entity;

(ii) an express, legally enforceable contract, promise, or agreement to make a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or anything of value to the filing entity;

(iii) any transfer of funds from another reporting entity or a corporation to the filing entity;

(iv) compensation paid by any person or reporting entity other than the filing entity for personal services provided without charge to the filing entity;

(v) remuneration from any organization or its directly affiliated organization that has a registered lobbyist to compensate a legislator for a loss of salary or income while the

Legislature is in session;

(vi) salaries or other remuneration paid to a legislator by any agency or subdivision of the state, including school districts, for the period the Legislature is in session; and

(vii) goods or services provided to or for the benefit of the filing entity at less than fair market value.

(b) "Contribution" does not include:

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of the filing entity; or

(ii) money lent to the filing entity by a financial institution in the ordinary course of business.

(7) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business organization that is registered as a corporation or is authorized to do business in a state and makes any expenditure from corporate funds for:

(i) political purposes; or

(ii) the purpose of influencing the approval or the defeat of any ballot proposition.

(b) "Corporation" does not mean:

(i) a business organization's political action committee or political issues committee; or

(ii) a business entity organized as a partnership or a sole proprietorship.

(8) "Detailed listing" means:

(a) for each contribution or public service assistance:

(i) the name and address of the individual or source making the contribution or public service assistance;

(ii) the amount or value of the contribution or public service assistance; and

(iii) the date the contribution or public service assistance was made; and

(b) for each expenditure:

(i) the amount of the expenditure;

(ii) the person or entity to whom it was disbursed;

(iii) the specific purpose, item, or service acquired by the expenditure; and

(iv) the date the expenditure was made.

(9) "Election" means each:

(a) regular general election;

(b) regular primary election; and

(c) special election at which candidates are eliminated and selected.

(10) (a) "Expenditure" means:

(i) any disbursement from contributions, receipts, or from the separate bank account required by this chapter;

(ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of value made for political purposes;

(iii) an express, legally enforceable contract, promise, or agreement to make any purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of value for political purposes;

(iv) compensation paid by a corporation or filing entity for personal services rendered by a person without charge to a reporting entity;

(v) a transfer of funds between the filing entity and a candidate's personal campaign committee; or

(vi) goods or services provided by the filing entity to or for the benefit of another reporting entity for political purposes at less than fair market value.

(b) "Expenditure" does not include:

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a reporting entity;

(ii) money lent to a reporting entity by a financial institution in the ordinary course of business; or

(iii) anything listed in Subsection (10)(a) that is given by a corporation or reporting entity to candidates for office or officeholders in states other than Utah.

(11) "Filing entity" means the reporting entity that is filing a ~~[report]~~ financial statement required by this chapter.

(12) "Financial statement" includes any summary report, interim report, verified financial statement, or other statement disclosing contributions, expenditures, receipts, donations, or disbursements that is required by this chapter.

(13) "Governing board" means the individual or group of individuals that determine the candidates and committees that will receive expenditures from a political action committee.

(14) "Incorporation" means the process established by Title 10, Chapter 2, Part 1,

Incorporation, by which a geographical area becomes legally recognized as a city or town.

(15) "Incorporation election" means the election authorized by Section 10-2-111.

(16) "Incorporation petition" means a petition authorized by Section 10-2-109.

(17) "Individual" means a natural person.

(18) "Interim report" means a report identifying the contributions received and expenditures made since the last report.

(19) "Legislative office" means the office of state senator, state representative, speaker of the House of Representatives, president of the Senate, and the leader, whip, and assistant whip of any party caucus in either house of the Legislature.

(20) "Legislative office candidate" means a person who:

(a) files a declaration of candidacy for the office of state senator or state representative;

(b) declares himself to be a candidate for, or actively campaigns for, the position of speaker of the House of Representatives, president of the Senate, or the leader, whip, and assistant whip of any party caucus in either house of the Legislature; and

(c) receives contributions, makes expenditures, or gives consent for any other person to receive contributions or make expenditures to bring about the person's nomination or election to a legislative office.

(21) "Newly registered political party" means an organization of voters that has complied with the petition and organizing procedures of this chapter to become a registered political party.

(22) "Officeholder" means a person who holds a public office.

(23) "Party committee" means any committee organized by or authorized by the governing board of a registered political party.

(24) "Person" means both natural and legal persons, including individuals, business organizations, personal campaign committees, party committees, political action committees, political issues committees, labor unions, and labor organizations.

(25) "Personal campaign committee" means the committee appointed by a candidate to act for the candidate as provided in this chapter.

(26) (a) "Political action committee" means an entity, or any group of individuals or entities within or outside this state, that solicits or receives contributions from any other person, group, or entity or makes expenditures for political purposes. A group or entity may not divide

or separate into units, sections, or smaller groups for the purpose of avoiding the financial reporting requirements of this chapter, and substance shall prevail over form in determining the scope or size of a political action committee.

(b) "Political action committee" includes groups affiliated with a registered political party but not authorized or organized by the governing board of the registered political party that receive contributions or makes expenditures for political purposes.

(c) "Political action committee" does not mean:

(i) a party committee;

(ii) any entity that provides goods or services to a candidate or committee in the regular course of its business at the same price that would be provided to the general public;

(iii) an individual;

(iv) individuals who are related and who make contributions from a joint checking account;

(v) a corporation; or

(vi) a personal campaign committee.

(27) "Political convention" means a county or state political convention held by a registered political party to select candidates.

(28) (a) "Political issues committee" means an entity, or any group of individuals or entities within or outside this state, that solicits or receives donations from any other person, group, or entity or makes disbursements to influence, or to intend to influence, directly or indirectly, any person to:

(i) assist in placing a statewide ballot proposition on the ballot, assist in keeping a statewide ballot proposition off the ballot, or refrain from voting or vote for or vote against any statewide ballot proposition; or

(ii) sign or refuse to sign an incorporation petition or refrain from voting, vote for, or vote against any proposed incorporation in an incorporation election.

(b) "Political issues committee" does not mean:

(i) a registered political party or a party committee;

(ii) any entity that provides goods or services to an individual or committee in the regular course of its business at the same price that would be provided to the general public;

(iii) an individual;

(iv) individuals who are related and who make contributions from a joint checking account; or

(v) a corporation, except a corporation whose apparent purpose is to act as a political issues committee.

(29) (a) "Political issues contribution" means any of the following:

(i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or anything of value given to a political issues committee;

(ii) an express, legally enforceable contract, promise, or agreement to make a political issues donation to influence the approval or defeat of any ballot proposition;

(iii) any transfer of funds received by a political issues committee from a reporting entity;

(iv) compensation paid by another reporting entity for personal services rendered without charge to a political issues committee; and

(v) goods or services provided to or for the benefit of a political issues committee at less than fair market value.

(b) "Political issues contribution" does not include:

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a political issues committee; or

(ii) money lent to a political issues committee by a financial institution in the ordinary course of business.

(30) (a) "Political issues expenditure" means any of the following:

(i) any payment from political issues contributions made for the purpose of influencing the approval or the defeat of a statewide ballot proposition;

(ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for the purpose of influencing the approval or the defeat of a statewide ballot proposition;

(iii) an express, legally enforceable contract, promise, or agreement to make any political issues expenditure;

(iv) compensation paid by a reporting entity for personal services rendered by a person without charge to a political issues committee; or

(v) goods or services provided to or for the benefit of another reporting entity at less than fair market value.

(b) "Political issues expenditure" does not include:

(i) services provided without compensation by individuals volunteering a portion or all of their time on behalf of a political issues committee; or

(ii) money lent to a political issues committee by a financial institution in the ordinary course of business.

(31) "Political purposes" means an act done with the intent or in a way to influence or tend to influence, directly or indirectly, any person to refrain from voting or to vote for or against any candidate for public office at any caucus, political convention, primary, or election.

(32) "Primary election" means any regular primary election held under the election laws.

(33) "Public office" means the office of governor, lieutenant governor, state auditor, state treasurer, attorney general, state or local school board member, state senator, state representative, speaker of the House of Representatives, president of the Senate, and the leader, whip, and assistant whip of any party caucus in either house of the Legislature.

(34) (a) "Public service assistance" means the following when given or provided to an officeholder to defray the costs of functioning in a public office or aid the officeholder to communicate with the officeholder's constituents:

(i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or anything of value to an officeholder; or

(ii) goods or services provided at less than fair market value to or for the benefit of the officeholder.

(b) "Public service assistance" does not include:

(i) anything provided by the state;

(ii) services provided without compensation by individuals volunteering a portion or all of their time on behalf of an officeholder;

(iii) money lent to an officeholder by a financial institution in the ordinary course of business;

(iv) news coverage or any publication by the news media; or

(v) any article, story, or other coverage as part of any regular publication of any organization unless substantially all the publication is devoted to information about the officeholder.

(35) "Publicly identified class of individuals" means a group of 50 or more individuals sharing a common occupation, interest, or association that contribute to a political action committee or political issues committee and whose names can be obtained by contacting the political action committee or political issues committee upon whose financial report they are listed.

(36) "Receipts" means contributions and public service assistance.

(37) "Registered lobbyist" means a person registered under Title 36, Chapter 11, Lobbyist Disclosure and Regulation Act.

(38) "Registered political action committee" means any political action committee that is required by this chapter to file a statement of organization with the lieutenant governor's office.

(39) "Registered political issues committee" means any political issues committee that is required by this chapter to file a statement of organization with the lieutenant governor's office.

(40) "Registered political party" means an organization of voters that:

(a) participated in the last regular general election and polled a total vote equal to 2% or more of the total votes cast for all candidates for the United States House of Representatives for any of its candidates for any office; or

(b) has complied with the petition and organizing procedures of this chapter.

~~[(41) "Report" means a verified financial statement.]~~

~~[(42)]~~ (41) "Reporting entity" means a candidate, a candidate's personal campaign committee, an officeholder, ~~[and]~~ a party committee, a political action committee, and a political issues committee.

~~[(43)]~~ (42) "School board office" means the office of state school board or local school board.

~~[(44)]~~ (43) (a) "Source" means the person or entity that is the legal owner of the tangible or intangible asset that comprises the contribution.

(b) "Source" means, for political action committees and corporations, the political action committee and the corporation as entities, not the contributors to the political action committee or the owners or shareholders of the corporation.

~~[(45)]~~ (44) "State office" means the offices of governor, lieutenant governor, attorney

general, state auditor, and state treasurer.

~~[(46)]~~ (45) "State office candidate" means a person who:

(a) files a declaration of candidacy for a state office; or

(b) receives contributions, makes expenditures, or gives consent for any other person to receive contributions or make expenditures to bring about the person's nomination or election to a state office.

~~[(47)]~~ (46) "Summary report" means the year end report containing the summary of a reporting entity's contributions and expenditures.

~~[(48)]~~ (47) "Supervisory board" means the individual or group of individuals that allocate expenditures from a political issues committee.

Section 2. Section **20A-11-103** is amended to read:

20A-11-103. Notice of pending interim and summary reports -- Form of submission.

(1) (a) ~~[(f)]~~ Ten days before a ~~[report]~~ financial statement from a state office candidate, legislative office candidate, officeholder, state school board candidate, political party, political action committee, political issues committee, or judge is due under this chapter, the lieutenant governor shall inform those candidates, officeholders, parties, committees, and judges, ~~and entities~~ by postal mail or, if requested by the candidate, ~~[judge,]~~ officeholder, party, ~~[or]~~ committee, ~~or judge~~, by electronic mail:

~~[(A)]~~ (i) that the ~~[report]~~ financial statement is due; ~~[and]~~

~~[(B)]~~ (ii) the date that the ~~[report]~~ financial statement is due~~[-]~~;

(iii) that administrative fees will be assessed if the financial statement is not timely received;

~~[(ii)]~~ (iv) ~~[In addition to the information required by Subsection (1)(a)(i) and in the same mailing, ten days before the interim reports for candidates or judges are due, the lieutenant governor shall inform the candidate or judge]~~ if the notification is sent to a judge in reference to the interim report due before the regular general election, ~~H→~~ [or] that voters will be informed that the judge has been disqualified and any votes cast for the judge will not be counted if the report is not timely filed;

(v) if the notification is sent ~~←H~~ to a candidate in reference to an interim report due before the regular primary election, on September 15, or before the regular general election, that ~~H→~~ [if the report is not] ~~←H~~ [received in the lieutenant governor's

office by 5 p.m. on the date that it is due] ~~H→~~ [timely filed;] ~~←H~~ voters will be informed that the candidate ~~H→~~ [or judge] ~~←H~~ has been disqualified and any votes cast for the candidate ~~H→~~ [or judge] ~~←H~~ will not

be counted[:] ~~if the report is not timely filed~~ :

~~[(iii)]~~ ~~if the report is not timely filed~~ ~~[(v)]~~ ~~(vi)~~ ~~if the report is not timely filed~~ [In addition to the information required by Subsection (1)(a)(i)

and in the

same mailing, ten days before the interim reports or verified financial statements for entities that are due September 15 and before the regular general election are due, and ten days before summary reports or January 5 financial statements are due, the lieutenant governor shall inform the entity, candidate, judge, or officeholder that if the report is not received in the lieutenant governor's office by the date that it is due, the entity, candidate, judge, or officeholder] if the notification is sent to a political party, political action committee, or political issues committee in reference to an interim report or a verified financial statement, that the entity may be guilty of a class B misdemeanor for failing to file the report or statement[:]; and

~~if the notification is in reference to a summary report, that the candidate, officeholder, party, committee, or judge may be guilty of a class B misdemeanor for failing to file the report.~~

(b) Ten days before [a] an interim or summary report from a local school board candidate is due under this chapter, the county clerk shall inform the candidate by postal mail or, if requested, by electronic mail:

(i) that the report is due;

(ii) the date that the report is due; ~~and~~

(iii) that the candidate will be assessed administrative fees if the report is not timely received;

~~[(iii)]~~ (iv) if the notification is in reference to an interim report due before the regular primary election, on September 15, or before the regular general election, that, if the report is not [received in the county clerk's office by 5 p.m. on the date that it is due] timely filed, voters will be informed that the candidate has been disqualified and any votes cast for the candidate will not be counted[:]; and

(v) if the notification is in reference to a summary report, that the candidate may be guilty of a class B misdemeanor for failing to file the report.

(2) Persons or entities submitting ~~reports~~ financial statements required by this chapter may submit them:

(a) on paper, printed, typed, or legibly handwritten or hand printed;

(b) on a computer disk according to specifications established by the chief election

officer that protect against fraudulent filings and secure the accuracy of the information contained on the computer disk;

(c) via fax; or

(d) via electronic mail or the Internet, according to specifications established by the chief election officer.

(3) A ~~[report]~~ financial statement is considered timely filed if:

(a) it is received in the chief election officer's office no later than 5:00 p.m. on the date that it is due;

(b) it is received in the chief election officer's office with a postmark three days or more before the date that the ~~[report]~~ financial statement was due; or

(c) the candidate, judge, or entity has proof that the ~~[report]~~ financial statement was mailed, with appropriate postage and addressing, three days before the ~~[report]~~ financial statement was due.

Section 3. Section **20A-11-104** is enacted to read:

20A-11-104. Late financial statements -- Fees.

(1) The election officer shall assess the following administrative fees against any person who fails to timely file a financial statement required by this chapter:

(a) an administrative fee of ~~\$→ [\$1,000]~~ \$100 ←\$ for each late financial statement; and

(b) for each late financial statement, an additional, daily administrative fee of ~~\$→ [\$50]~~ \$20 ←\$, which shall be assessed for each calendar day that falls between the date the statement was due and the date that the late statement is filed.

(2) A person may appeal an administrative fee assessed under this section to the district court having personal jurisdiction over the person by filing a complaint contesting the fee within 30 days of the date the penalty was assessed.

(3) When determining if a financial statement is timely filed, the provisions of Subsection 20A-11-103(3) shall govern.

(4) If a person is removed from the ballot due to the person's failure to timely file the financial statement, the election officer shall not assess a fee for the late financial statement under this section.

Section 4. Section **20A-11-105** is enacted to read:

20A-11-105. Amending financial statements -- Fees.

400 (1) ~~For the purposes of this section, " [election] fee calculation cycle" means the~~
400a1 ~~[two-year] period~~
400a ~~[commencing] that commences on March 1 [in a regular general election] of each year and~~
400b1 ~~[ending] ends on the last day of~~
400b ~~February [in the next regular general election] of the following year.~~
400c (2) ~~←H~~ A person may file an amended financial statement to correct any financial statement
401 filed under the requirements of this chapter, using the form required by the election officer,
402 either:
403 (a) voluntarily; or
404 (b) at the direction of the election officer, as provided for in this chapter.
405 ~~H→~~ ~~[(2) The] (3) (a) Subject to the requirements of Subsection (3)(b), the~~ ~~←H~~ election
405a officer shall assess an administrative fee for each amended financial
406 statement filed, which fee shall equal ~~H→~~ ~~[the greater of:~~
407 ~~—— (a) \$25; or~~
408 ~~—— (b)]~~ ~~←H~~ the total of the following assessments, which shall be assessed for each change
409 made in the amended financial statement:
410 (i) for a ~~H→~~ ~~substantive~~ ~~←H~~ change of the name of an individual or source making a
410a contribution or public
411 service assistance, 5% of the contribution or public service assistance;
412 (ii) for a ~~H→~~ ~~substantive~~ ~~←H~~ change of the name of a person or entity receiving
412a disbursement of an
413 expenditure, 5% of the amount of the expenditure;
414 (iii) for a change that results in an increase in the reported amount of a contribution or
415 public service assistance, 5% of the difference between the amended financial statement and
416 the previously filed financial statement;
417 (iv) for a change that results in an increase in the reported amount of an expenditure,
418 5% of the difference between the amended financial statement and the previously filed
419 financial statement; or
420 (v) for a newly reported contribution, public service assistance, or expenditure, or a
421 ~~H→~~ ~~substantive~~ ~~←H~~ change in ~~H→~~ ~~[both]~~ ~~←H~~ the name and ~~H→~~ ~~a change in~~ ~~←H~~ the amount
421a associated with a contribution, public service
422 assistance, or expenditure, 5% of the contribution, public service assistance, or expenditure.
422a ~~H→~~ (b) The election officer shall waive the first \$50 of fees that are assessable to a
422b person ~~[during an election cycle] under Subsection (3)(a) during each fee calculation cycle~~ ,
422c1 ~~[except in no case shall] and the election~~
422c officer ~~[enforce collection of a] shall not assess a fee [that is less than] against a person until the~~
422d fees that are assessable during the fee calculation cycle total at least \$25. ~~←H~~

423 (3) A person may appeal an administrative fee assessed under this section to the district
424 court having personal jurisdiction over the person by filing a complaint contesting the fee
425 within 30 days of the date the fee was assessed.

426 Section 5. Section **20A-11-106** is enacted to read:

427 **20A-11-106. Revenue from fees and penalties.**

428 (1) Revenue generated by administrative fees and penalties assessed by the lieutenant
429 governor under this chapter shall be deposited in the General Fund.

430 (2) Revenue generated by administrative fees and penalties assessed by a county clerk

under this chapter shall be deposited as directed by the county legislative body.

Section 6. Section **20A-11-206** is amended to read:

20A-11-206. State office candidate -- Late statements -- Failure to file statements -- Penalties.

(1) A state office candidate that fails to file a financial statement on or before the statement's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) If a state office candidate fails to file an interim report due before the regular primary election, September 15, or before the regular general election, the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely mailed, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for the candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any state office candidate who fails to ~~[file]~~ timely file a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in Section 20A-1-501.

(c) Notwithstanding Subsections ~~[(1)]~~ (2)(a) and ~~[(1)]~~ (2)(b), a state office candidate is not disqualified if:

(i) the candidate files the reports required by this section;

(ii) those reports are completed, detailing accurately and completely the information required by this part except for inadvertent omissions or insignificant errors or inaccuracies; and

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

~~[(2)]~~ (3) (a) Within 30 days after a deadline for the filing of a summary report, the lieutenant governor shall review each filed summary report to ensure that:

(i) each state office candidate that is required to file a summary report has filed one; and

(ii) each summary report contains the information required by this part.

(b) If it appears that any state office candidate has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any summary report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the state office candidate of the violation or written complaint and direct the state office candidate to file a summary report correcting the problem.

(c) (i) It is unlawful for any state office candidate to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

(ii) Each state office candidate who violates Subsection ~~[(2)]~~ (3)(c)(i) is guilty of a class B misdemeanor.

(iii) The lieutenant governor shall report all violations of Subsection ~~[(2)]~~ (3)(c)(i) to the attorney general.

Section 7. Section **20A-11-305** is amended to read:

20A-11-305. Legislative office candidate -- Late statements -- Failure to file statements -- Penalties -- Name not printed on ballot -- Filling vacancy.

(1) A legislative office candidate that fails to file a financial statement on or before the statement's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) If a legislative office candidate fails to file an interim report due before the regular primary election, September 15, or before the regular general election, the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely mailed, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform the voters by any practicable method that the candidate has been disqualified and that votes cast for the candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any legislative office candidate who fails to ~~[file]~~ timely file a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in

Section 20A-1-501.

(c) Notwithstanding Subsections ~~[(1)]~~ (2)(a) and ~~[(1)]~~ (2)(b), a legislative office candidate is not disqualified if:

(i) the candidate files the reports required by this section;

(ii) those reports are completed, detailing accurately and completely the information required by this part except for inadvertent omissions or insignificant errors or inaccuracies; and

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

~~[(2)]~~ (3) (a) Within 30 days after a deadline for the filing of a summary report, the lieutenant governor shall review each filed summary report to ensure that:

(i) each legislative office candidate that is required to file a summary report has filed one; and

(ii) each summary report contains the information required by this part.

(b) If it appears that any legislative office candidate has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any summary report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the legislative office candidate of the violation or written complaint and direct the legislative office candidate to file a summary report correcting the problem.

(c) (i) It is unlawful for any legislative office candidate to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

(ii) Each legislative office candidate who violates Subsection ~~[(2)]~~ (3)(c)(i) is guilty of a class B misdemeanor.

(iii) The lieutenant governor shall report all violations of Subsection ~~[(2)]~~ (3)(c)(i) to the attorney general.

Section 8. Section **20A-11-403** is amended to read:

20A-11-403. Late statements -- Failure to file -- Penalties.

(1) An officeholder that fails to file a financial statement on or before the statement's

524 due date is subject to the penalties provided in Section 20A-11-104.

525 ~~[(1)]~~ (2) Within 30 days after a deadline for the filing of a summary report, the
526 lieutenant governor shall review each filed summary report to ensure that:

527 (a) each officeholder that is required to file a summary report has filed one; and

528 (b) each summary report contains the information required by this part.

529 ~~[(2)]~~ (3) If it appears that any officeholder has failed to file the summary report
530 required by law, if it appears that a filed summary report does not conform to the law, or if the
531 lieutenant governor has received a written complaint alleging a violation of the law or the
532 falsity of any summary report, the lieutenant governor shall, within five days of discovery of a
533 violation or receipt of a written complaint, notify the officeholder of the violation or written
534 complaint and direct the officeholder to file a summary report correcting the problem.

535 ~~[(3)]~~ (4) (a) It is unlawful for any officeholder to fail to file or amend a summary report
536 within 14 days after receiving notice from the lieutenant governor under this section.

537 (b) Each officeholder who violates Subsection ~~[(3)]~~ (4)(a) is guilty of a class B
538 misdemeanor.

539 (c) The lieutenant governor shall report all violations of Subsection ~~[(3)]~~ (4)(a) to the
540 attorney general.

541 Section 9. Section **20A-11-508** is amended to read:

542 **20A-11-508. Political party reporting requirements -- Late statements -- Failure**
543 **to file -- Penalties.**

544 (1) A registered political party that fails to file a financial statement on or before the
545 statement's due date is subject to the penalties provided in Section 20A-11-104.

546 ~~[(1)]~~ (2) (a) Each registered political party that fails to file the interim reports due
547 September 15 or before the regular general election is guilty of a class B misdemeanor.

548 (b) The lieutenant governor shall report all violations of Subsection ~~[(1)]~~ (2)(a) to the
549 attorney general.

550 ~~[(2)]~~ (3) Within 30 days after a deadline for the filing of a summary report required by
551 this part, the lieutenant governor shall review each filed report to ensure that:

552 (a) each political party that is required to file a report has filed one; and

553 (b) each report contains the information required by this part.

554 ~~[(3)]~~ (4) If it appears that any political party has failed to file a report required by law,

if it appears that a filed report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political party of the violation or written complaint and direct the political party to file a summary report correcting the problem.

~~[(4)]~~ (5) (a) It is unlawful for any political party to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

(b) Each political party who violates Subsection ~~[(4)]~~ (5)(a) is guilty of a class B misdemeanor.

(c) The lieutenant governor shall report all violations of Subsection ~~[(4)]~~ (5)(a) to the attorney general.

Section 10. Section **20A-11-603** is amended to read:

20A-11-603. Late statements -- Failure to file -- Penalties.

(1) A political action committee that fails to file a financial statement on or before the statement's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) Each political action committee that fails to file the statement due September 15 or before the regular general session is guilty of a class B misdemeanor.

(b) The lieutenant governor shall report all violations of Subsection ~~[(1)]~~ (2)(a) to the attorney general.

~~[(2)]~~ (3) Within 30 days after a deadline for the filing of the January 5 statement required by this part, the lieutenant governor shall review each filed statement to ensure that:

(a) each political action committee that is required to file a statement has filed one; and

(b) each statement contains the information required by this part.

~~[(3)]~~ (4) If it appears that any political action committee has failed to file the January 5 statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political action committee of the violation or written complaint and direct the political action committee to file a statement correcting the problem.

~~[(4)]~~ (5) (a) It is unlawful for any political action committee to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

(b) Each political action committee who violates Subsection ~~[(4)]~~ (5)(a) is guilty of a class B misdemeanor.

(c) The lieutenant governor shall report all violations of Subsection ~~[(4)]~~ (5)(a) to the attorney general.

Section 11. Section **20A-11-703** is amended to read:

20A-11-703. Due dates -- Exemptions -- Failure to file -- Penalties.

(1) (a) Each corporation that is required to file a financial statement shall timely file the statement.

(b) A corporation is not subject to an administrative penalty under Section 20A-11-104.

~~[(1)]~~ (2) Within 30 days after a deadline for the filing of any statement required by this part, the lieutenant governor shall review each filed statement to ensure that:

(a) each corporation that is required to file a statement has filed one; and

(b) each statement contains the information required by this part.

~~[(2)]~~ (3) If it appears that any corporation has failed to file any statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the corporation of the violation or written complaint and direct the corporation to file a statement correcting the problem.

~~[(3)]~~ (4) (a) It is unlawful for any corporation to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

(b) Each corporation who violates Subsection ~~[(3)]~~ (4)(a) is guilty of a class B misdemeanor.

(c) The lieutenant governor shall report all violations of ~~[this]~~ Subsection ~~[(3)]~~ (4)(a) to the attorney general.

Section 12. Section **20A-11-803** is amended to read:

20A-11-803. Late statements -- Failure to file -- Penalties.

(1) A political issues committee that fails to file a financial statement on or before the statement's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) Each political issues committee that fails to file the statement due

September 15 or before the regular general session is guilty of a class B misdemeanor.

(b) The lieutenant governor shall report all violations of Subsection (1) to the attorney general.

~~[(2)]~~ (3) Within 30 days after a deadline for the filing of the January 5 statement, the lieutenant governor shall review each filed statement to ensure that:

(a) each political issues committee that is required to file a statement has filed one; and

(b) each statement contains the information required by this part.

~~[(3)]~~ (4) If it appears that any political issues committee has failed to file the January 5 statement, if it appears that a filed statement does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any statement, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the political issues committee of the violation or written complaint and direct the political issues committee to file a statement correcting the problem.

~~[(4)]~~ (5) (a) It is unlawful for any political issues committee to fail to file or amend a statement within 14 days after receiving notice from the lieutenant governor under this section.

(b) Each political issues committee who violates Subsection ~~[(4)]~~ (5)(a) is guilty of a class B misdemeanor.

(c) The lieutenant governor shall report all violations of Subsection ~~[(4)]~~ (5)(a) to the attorney general.

Section 13. Section **20A-11-1305** is amended to read:

20A-11-1305. School board office candidate -- Late statements -- Failure to file -- Penalties -- Name not printed on ballot -- Filling vacancy.

(1) A school board office candidate that fails to file a financial statement on or before the statement's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) If a school board office candidate fails to file an interim report due before the regular primary election, September 15, and before the regular general election, the chief election officer shall, after making a reasonable attempt to discover if the report was timely mailed, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the candidate by blacking out the candidate's name before the ballots are delivered to voters; or

(ii) shall, if removing the candidate's name from the ballot is not practicable, inform

the voters by any practicable method that the candidate has been disqualified and that votes cast for candidate will not be counted; and

(iii) may not count any votes for that candidate.

(b) Any school board office candidate who fails to ~~file~~ timely file a financial statement required by this part is disqualified and the vacancy on the ballot may be filled as provided in Section 20A-1-501.

(c) Notwithstanding Subsection ~~(1)~~ (2)(a) and ~~(1)~~ (2)(b), a school board office candidate is not disqualified if:

(i) the candidate files the reports required by this section;

(ii) those reports are completed, detailing accurately and completely the information required by this part except for inadvertent omissions or insignificant errors or inaccuracies; and

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

~~(2)~~ (3) (a) Within 30 days after a deadline for the filing of a summary report by a candidate for state school board, the lieutenant governor shall review each filed summary report to ensure that:

(i) each state school board candidate that is required to file a summary report has filed one; and

(ii) each summary report contains the information required by this part.

(b) If it appears that any state school board candidate has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any summary report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the state school board candidate of the violation or written complaint and direct the state school board candidate to file a summary report correcting the problem.

(c) (i) It is unlawful for any state school board candidate to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

(ii) Each state school board candidate who violates Subsection ~~(2)~~ (3)(c)(i) is guilty

of a class B misdemeanor.

(iii) The lieutenant governor shall report all violations of Subsection ~~[(2)]~~ (3)(c)(i) to the attorney general.

~~[(3)]~~ (4) (a) Within 30 days after a deadline for the filing of a summary report, the county clerk shall review each filed summary report to ensure that:

(i) each local school board candidate that is required to file a summary report has filed one; and

(ii) each summary report contains the information required by this part.

(b) If it appears that any local school board candidate has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the county clerk has received a written complaint alleging a violation of the law or the falsity of any summary report, the county clerk shall, within five days of discovery of a violation or receipt of a written complaint, notify the local school board candidate of the violation or written complaint and direct the local school board candidate to file a summary report correcting the problem.

(c) (i) It is unlawful for any local school board candidate to fail to file or amend a summary report within 14 days after receiving notice from the county clerk under this section.

(ii) Each local school board candidate who violates Subsection ~~[(3)]~~ (4)(c)(i) is guilty of a class B misdemeanor.

(iii) The county clerk shall report all violations of Subsection ~~[(3)]~~ (4)(c)(i) to the district or county attorney.

Section 14. Section **20A-12-306** is amended to read:

20A-12-306. Judges --Late reports -- Failure to file reports -- Penalties.

(1) A judge's personal campaign committee that fails to file an interim or summary report on or before the report's due date is subject to the penalties provided in Section 20A-11-104.

~~[(1)]~~ (2) (a) If a judge's personal campaign committee fails to file the interim report due before the regular general election, the lieutenant governor shall, after making a reasonable attempt to discover if the report was timely mailed, inform the county clerk and other appropriate election officials who:

(i) shall, if practicable, remove the name of the judge by blacking out the judge's name

before the ballots are delivered to voters; or

(ii) shall, if removing the judge's name from the ballot is not practicable, inform the voters by any practicable method that the judge has been disqualified and that votes cast for the judge will not be counted; and

(iii) may not count any votes for that judge.

(b) Any judge who fails to ~~file~~ timely file a financial statement required by this part is disqualified.

(c) Notwithstanding Subsections ~~[(1)]~~ (2)(a) and ~~[(1)]~~ (2)(b), a judge is not disqualified if:

(i) the candidate files the reports required by this section;

(ii) those reports are completed, detailing accurately and completely the information required by this part except for inadvertent omissions or insignificant errors or inaccuracies; and

(iii) those omissions, errors, or inaccuracies are corrected in an amended report or in the next scheduled report.

~~[(2)]~~ (3) (a) Within 30 days after a deadline for the filing of a summary report, the lieutenant governor shall review each filed summary report to ensure that:

(i) each judge that is required to file a summary report has filed one; and

(ii) each summary report contains the information required by this part.

(b) If it appears that any judge has failed to file the summary report required by law, if it appears that a filed summary report does not conform to the law, or if the lieutenant governor has received a written complaint alleging a violation of the law or the falsity of any summary report, the lieutenant governor shall, within five days of discovery of a violation or receipt of a written complaint, notify the judge of the violation or written complaint and direct the judge to file a summary report correcting the problem.

(c) (i) It is unlawful for any judge to fail to file or amend a summary report within 14 days after receiving notice from the lieutenant governor under this section.

(ii) Each judge who violates Subsection ~~[(2)]~~ (3)(c)(i) is guilty of a class B misdemeanor.

(iii) The lieutenant governor shall report all violations of Subsection ~~[(2)]~~ (3)(c)(i) to the attorney general.

H→ Section 15. Coordinating H.B. 41 with S.B. 21 -- Superseding Amendments.

If this H.B. 41 and S.B. 21, Campaign Finance Disclosure Revisions, both pass, it is the intent of the Legislature that when the Office of Legislative Research and General Counsel prepares the Utah Code database for publication, the amendments to Section 20A-11-103 supersede the amendments to Section 20A-11-103 in S.B. 21 except that the references to "September 15" in Subsections 20A-11-103(1)(a)(iv) and (1)(b)(iv) in this bill shall be replaced with "August 31". ←H

Legislative Review Note
as of 11-14-07 4:11 PM

Office of Legislative Research and General Counsel

H.B. 41 - Campaign Report Amendments - As Amended

Fiscal Note

2008 General Session

State of Utah

State Impact

Enactment of this bill would generate revenue to the General Fund from fees and penalties established by the bill. Assuming volume experienced by the Lt. Governor's office in the previous election cycle, and assuming the minimum fees and penalties described in the bill, the bill may result in at least \$3,500 in revenue to the General Fund. Additional revenue may accrue associated with a \$20 per day late fee on financial statements, and with proportional fees for amendments to financial disclosures.

	FY 2008	FY 2009	FY 2010	FY 2008	FY 2009	FY 2010
	<u>Approp.</u>	<u>Approp.</u>	<u>Approp.</u>	<u>Revenue</u>	<u>Revenue</u>	<u>Revenue</u>
General Fund, One-Time	\$0	\$0	\$0	\$0	\$3,500	\$0
Total	\$0	\$0	\$0	\$0	\$3,500	\$0

Individual, Business and/or Local Impact

Individuals and businesses that fail to file timely and accurate financial statements may experience additional costs as a result of this bill. Local governments may accrue additional revenue due to fees and penalties that accrue to local elections officials under the bill.